

Executive Summary

This is the second year submission under the City of Norfolk's five-year Consolidated Plan. The City of Norfolk continues to utilize the Consolidated Plan in accordance with Title I of the National Affordable Housing as a prerequisite for application for direct funding under four entitlement programs administered by the U.S. Housing Department and Urban Development. Entitlement programs include the Community Development Block Grant Fund (CDBG), Emergency Shelter Grant Program (ESG), American Dream Down Payment Initiative (ADDI), and the Home Investment Partnership Program (HOME). These grant monies are used primarily to benefit the lower income residents of Norfolk in three ways:

- By providing decent housing
- By providing a suitable living environment
- By expanding economic opportunities

This submission consists of an annual action plan, required certifications and a summary of citizen comments and the disposition of those comments.

The Consolidated Plan continues to create the opportunity for strategic planning and citizen participation to take place in a comprehensive context. It allows local governments, community organizations and citizens to address the broader context in which these programs operate, offering the City of Norfolk a better opportunity to shape the various programs into effective coordinated strategies.

Annual Action Plan

The FY05 Annual Plan describes the programs and resource allocations for the Community Development Block Grant Program (CDBG), the HOME Investment Partnership Program (HOME), and the Emergency Shelter Grant Program (ESG). The total proposed funding under the plan for FY05 is \$11,067,017. Local Capital Improvement Program funds have been made available to support neighborhood revitalization activities and social services program. Required match sources for HOME and ESG are also identified. This figure is \$1.573 million more than the FY04 total allocation as a result of the inclusion of approximately \$1.3 million in Revolving Loan Funds and one new program called the American Dream Down Payment Initiative totaling \$238,000.

The Annual Action Plan also includes a summary of resources available to the City to meet the goals and objectives included in its strategic plan. This plan will include the activities the City intends to undertake during the period from July 1, 2004 to June 30, 2005.

Program Summaries

Community Development Block Grant Program

Primary objective is developing viable urban communities by providing decent housing, suitable living environments, and expanding economic opportunity, principally for persons of low and moderate income. Expenditures must meet one of three Broad National Objectives:

- Benefit low and moderate income persons;
- Aid in the prevention or elimination of slums or blight, or
- Address an urgent need that poses an immediate threat to the health or welfare of the community

At least 70 percent of CDBG funds must be spent on low and moderate income persons. Eligible activities include property acquisition, demolition, and rehabilitation, relocation of affected persons and businesses, and public services.

Administrative cap of 20%

Public Services cap of 15%

Emergency Shelter Grant Program

Goals are improving the quality of existing emergency shelters for the homeless, creating additional emergency shelters, assisting with the costs of operating emergency shelters, and of providing essential social services to homeless individuals, and to help prevent homelessness.

Eligible activities include renovation, major rehabilitation, or conversion of buildings for use as emergency shelters for the homeless, provision of essential services to the homeless, payment of facility maintenance and operating costs, and homeless prevention services.

Administrative cap of 5%

HOME Investment Partnership Program

Targeted toward housing activities. Primary purpose is to expand the supply of decent and affordable housing particularly rental housing, for low and very low income Americans. Eligible activities include tenant-based rental assistance, assistance to first-time home buyers and existing homeowners, property acquisition, and new construction.

Administrative cap of 10%

Mandated set aside for Community Housing Development Organizations of 15%

American Dream Down payment Initiative

The American Dream Down payment Act, approved December 16, 2003, established a separate formula under the HOME Program by which HUD allocates funds to states that are participating jurisdictions under the HOME Program.

Participating jurisdictions within those states such as the City of Norfolk will also be allowed to provide down payment assistance to low-income families who are first-time homebuyers for the purchase of single family housing that will serve as the family's principal residence. With respect to allocation of funds, the American Dream Down payment Initiative (ADDI) statute establishes a formula that is based primarily on the need for assistance to homebuyers.

ADDI provides low-income families homeownership assistance to enable them to achieve the personal and financial benefits of homeownership. A participating jurisdiction may invest ADDI funds as interest-bearing loans or advances, non-interest bearing loans or advances, interest subsidies consistent with the purposes of the ADDI, deferred payment loans, grants, or other forms of assistance that HUD determines to be consistent with the ADDI. Each participating jurisdiction has the right to establish the terms of assistance, subject to the requirements of the ADDI regulations. It is expected that the ADDI funds will not result in a diminution of private sector efforts to increase homeownership.

Certifications

Statutes and Housing and Urban Development (HUD) standards require that the City of Norfolk certify certain facts. The required certifications are included in this document under the appendix section.

Summary of Citizen Comments and Disposition

The City of Norfolk is also required to summarize the comments received from the community at different stages of the process and describe how those comments were addressed. This section summarizes the comments and their disposition from the public received at the open forum, during the public comment period, at the City Planning Commission's public hearing, and also during the City Council's public hearing.

Sections

Five parts are included in the final document that provide the:

Available Resources
Organizational Approaches
Strategic Plan and Other Actions
2005 Annual Plan
Distribution of Resources

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